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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/690,145

10/20/2003

Benjamin Quigley

AOL0055

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22862 7590 08/12/2008

GLENN PATENT GROUP  
3475 EDISON WAY, SUITE L  
MENLO PARK, CA 94025

EXAMINER

WONG, ERIC TAK WAI

ART UNIT

PAPER NUMBER

3693

MAIL DATE

DELIVERY MODE

08/12/2008

PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/690,145	<b>Applicant(s)</b> QUIGLEY ET AL.	
	<b>Examiner</b> ERIC T. WONG	<b>Art Unit</b> 3693	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☐ Responsive to communication(s) filed on 18 April 2008.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-80 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-80 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)          | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)          | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____  | 6) <input type="checkbox"/> Other: _____                          |

## **DETAILED ACTION**

### ***Status of Claims***

1. Claims 1-2, 12, 23-24, and 45 are amended. Claims 3-11, 13-22, 25-44, 46-80 are original. Claims 1-80 are pending.

### ***Response to Arguments***

2. Applicant's arguments filed 4/18/2008 have been fully considered. Certain arguments are not considered persuasive.

3. Applicant argues that "Random Deposit" ("Online Payments Raising Host of Unresolved Issues") does not teach an unverified account. In response to Applicant's argument, Examiner asserts that the unverified account is implicitly described. This is additionally supported by "User Agreement" ("User Agreement for Paypal Service"), cited in the previous office action. In particular, Section III Subsection 1i, on page 5 describes unverified and verified accounts. Applicant further argues even if an unverified account is implicitly described by the reference there is no teaching that the unverified account requires a first level of authentication. Examiner asserts that the unverified account requires a first level of authentication in the form of a password to the account. Examiner asserts that it was in the knowledge of one of ordinary skill in the art at the time of invention that Paypal authenticated via a user id and password. This is additionally supported by "User Agreement". In particular, Page 4 section 10 discusses the user's responsibility to not reveal the account password.

4. Applicant argues that "Random Deposit" is silent as to whether an account becomes a verified account for all time. In response to this argument, Examiner would like to clarify the

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interpretation taken of the limitation "for all time". Clearly there is no way to guarantee that an electronic account will remain in existence "for all time" in its literal sense. Therefore, the limitation can be reasonably interpreted as only having to convert an account once. The re-verification process of Paypal is an additional step. That is, the account would remain verified "for all time" if not for the additional step of re-verification. Therefore, the reference anticipates the claim since it is narrower in scope. Even if the reference was not anticipatory, the elimination of the re-verification step would have been obvious to one of ordinary skill in the art because of added convenience.

5. Applicant argues that the authentication scheme differs from the challenge-response mechanism. Examiner asserts that in reference, the authentication scheme does differ from the challenge-response mechanism. The authentication scheme is the user/password combination and the challenge-response mechanism is the random deposit technique.

6. Applicant argues that no further set of services becomes available as a result of the random deposit technique. Examiner disagrees. "Random Deposit" states that a verified account is needed to fund payments, ie. an unverified user can still received payments. Additionally, "User Agreement" shows that unverified accounts have a sending limit, whereas verified accounts do not (see Section III, Subsection 1i).

### ***Claim Rejections - 35 USC § 102***

The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

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7. Claims 1-6, 10-11, 23-28, 32-33, 50-56, 60-61 rejected under 35 U.S.C. 102(b) as being anticipated by "Random Deposit".

**Regarding claim 1,**

"Random Deposit" teaches providing an account, the account a first account type providing a first set of services, the first set of services requiring a first level of authentication; presenting an accountholder a one-time challenge/response mechanism; and if the accountholder clears the challenge, converting the account to a second account type for all time; wherein the second type provides the first set of services plus further services associated therewith, the further services requiring at least one further level of authentication.

**Regarding claim 2,**

"Random Deposit" further teaches wherein the challenge/response mechanism requires an accountholder to provide information known only to the accountholder.

**Regarding claim 3,**

"Random Deposit" further teaches providing the wallet account comprises either of the steps of: creating the account when making an initial purchase; and creating a record in a subscriber database.

**Regarding claim 4,**

"Random Deposit" further teaches wherein subscribers include subscribers to any of: an online services and an ISP (Internet Service Provider).

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**Regarding claim 5,**

“Random Deposit” further teaches wherein the step of presenting a challenge/response mechanism comprises steps of: requesting a service from within the account of the first type that is only available from within an account of the second type; and prompting the accountholder to provide the information known only to the accountholder.

**Regarding claim 6,**

“Random Deposit” further teaches wherein the account comprises an electronic wallet, the first type comprising a thin wallet wherein the first set of services comprises at least one low-risk task requiring a low security level.

**Regarding claims 10-11,**

“Random Deposit” teaches authenticating at the first level to gain access to the first account (see Response to Arguments); wherein authenticating at the first level comprises providing a user ID and a first-level password.

**Regarding claim 50,**

“Random Deposit” teaches a wallet server; a wallet database; a subscriber database; wherein the wallet server is in communication with the wallet and the subscriber databases; wherein the wallet server is in communication with the wallet and the subscriber databases; and a client in communication with the wallet server, wherein a wallet accountholder requests services from the wallet server; wherein the server includes means for converting the electronic wallet.

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**Regarding claims 23-28, 32-33, 51-56, 60-61,**

The claims are drawn to a computer readable medium comprising instructions for executing the methods or to systems which perform the method of the aforementioned claims.

***Claim Rejections - 35 USC § 103***

The text of those sections of Title 35, U.S. Code not included in this action can be found in a prior Office action.

8. Claims 45 and 76 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of Schell (US Patent 6,477,648).

**Regarding claims 45 and 76,**

"Random Deposit" does not explicitly teach accessing an account from a client device previously established as trusted.

Schell teaches accessing an account from a client device previously established as trusted (see abstract, MAC address).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" further with accessing an account from a client device previously established as trusted. One skilled in the art would have been motivated to make the modification for the benefit of increased security.

9. Claims 46 and 77 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of Schell, further in view of Applicant admission of prior art.

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**Regarding claims 46 and 77,**

"Random Deposit" does not explicitly teach establishing a client as trusted comprises authentication with a second-level password.

Applicant admission of prior art teaches establishing a client as trusted by means of authentication with a second-level password (see page 3 of specification starting with "Conventionally, digital wallets...").

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" further with establishing a client as trusted by authenticating with a second-level password. One skilled in the art would have been motivated to make the modification for the benefit of increased security.

10. Claims 47-48 and 78-79 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of Schell, further in view of Official Notice.

**Regarding claim 47 and 78,**

Official Notice is taken that re-establishing a client as trusted if a trusted state is compromised is old and well known in the art. Based upon a technical line of reasoning which is clear and unmistakable, if a client is found to be untrusted, it would not only have been obvious to re-establish trust with the client, but expected in order to continue providing services to the customer in a secure fashion. One skilled in the art would have been motivated to make the modification for the benefit of customer satisfaction and maintaining a profit stream.

**Regarding claim 48 and 79,**

"Random Deposit" does not explicitly teach providing a visual indicator of a trusted state.

Official Notice is taken that providing a visual indicator is old and well known in the art (eg. "Login successful message"). It would have been obvious to modify the method of converting of "Random Deposit" further with including visual indicator of a trusted state with motivation being that it is convenient for a user to know whether or not he/she is authenticated with the system.

11. Claims 49 and 80 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of Schell, further in view of Alao (US PG-Pub US 20020147645 A1).

**Regarding claims 49 and 80,**

"Random Deposit" does not explicitly teach providing a security controls panel that permits accountholders to manage authentication for various online products and sites.

Alao teaches providing a security controls panel that permits accountholders to manage authentication for various online products and sites (see paragraph 49).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method for converting of "Random Deposit" further with providing a security controls panel that permits accountholders to manage authentication for various online products and sites. One skilled in the art would have been motivated to make the modification for the benefit of user control (eg. parental control).

12. Claims 14, 36, 64 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of Official Notice.

**Regarding claims 14, 36, and 64,**

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“Random Deposit” teaches configuring the challenge by an account provider, wherein configuring the challenge includes: specifying information requested by the challenge;

“Random Deposit” does not explicitly teach specifying a permissible number of response attempts.

Official Notice is taken that specifying a permissible number of response attempts in a security process was old and well known at the time of invention (eg. Microsoft Windows password lockout).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of “Random Deposit” further with specifying a permissible number of response attempts. One skilled in the art would have been motivated to make the modification to prevent brute force attempts to provide the correct answer.

13. Claims 73-75 rejected under 35 U.S.C. 103(a) as being unpatentable over “Random Deposit” in view of Alao.

**Regarding claims 73-75,**

“Random Deposit” does not explicitly teach a second server, said second server operative to relay data and requests between said wallet server and said subscriber database; a router, the router operative to link at least a first and a second network, wherein the wallet server occupies the first network and wherein the second server and the subscriber database occupy the second network; wherein the wallet database occupies said second network.

Alao teaches a second server, said second server operative to relay data and requests between said wallet server and said subscriber database; a router, the router operative to link at least a first and a second network, wherein the wallet server occupies the first network and

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wherein the second server and the subscriber database occupy the second network; wherein the wallet database occupies said second network (see abstract).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the system of "Random Deposit" to include a second server, said second server operative to relay data and requests between said wallet server and said subscriber database; a router, the router operative to link at least a first and a second network, wherein the wallet server occupies the first network and wherein the second server and the subscriber database occupy the second network; wherein the wallet database occupies said second network. One skilled in the art would have been motivated to make the modification to secure personal information on a separate server.

14. Claims 12-13, 34-35, 62-63 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of Alao, further in view of Official Notice.

**Regarding claims 12-13,**

"Random Deposit" does not explicitly teach wherein the information known only to the account holder comprises at least a portion of a credit card number stored in the first account;

Alao teaches wherein the information known only to the account holder comprises at least a portion of a credit card number stored in the first account (see paragraph 75).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" further with wherein the information known only to the account holder comprises at least a portion of a credit card number stored in the first account. One skilled in the art would have been motivated to make the modification for the benefit of increased security.

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“Random Deposit” does not explicitly teach if the accountholder doesn’t clear the challenge, allowing a predetermined number of attempts to enter the information known only to the account holder; if the account holder fails the predetermined number of attempts, allowing the account holder to provide a new credit card number; and presenting a challenge based on the new credit card number.

Official Notice is taken that specifying a permissible number of response attempts in a security process was old and well known at the time of invention (eg. Microsoft Windows password lockout).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of “Random Deposit” further with if the accountholder doesn’t clear the challenge, allowing a predetermined number of attempts to enter the information known only to the account holder. One skilled in the art would have been motivated to make the modification to prevent brute force attempts at guessing the correct answer.

Alao teaches storing multiple credit card numbers for the consumer to choose from (see paragraph 99).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" further with if the account holder fails the predetermined number of attempts, allowing the account holder to provide a new credit card number; and presenting a challenge based on the new credit card number. One skilled in the art would have been motivated to make the modification for convenience, ie. a user may not remember the information to one credit card, but may still remember the information to another.

**Regarding claims 34-35 and 62-63,**

The claims are drawn to a computer readable medium comprising instructions for executing the methods or to systems which perform the method of the aforementioned claims.

15. Claims 7-9, 15, 29-31, 37, 57-59, 65 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of "User Agreement".

**Regarding claims 7-9,**

"Random Deposit" does not explicitly teach wherein the at least one low-risk task comprises any of: making purchases not exceeding a predetermined purchase amount; making transactions using default account information; and making purchases at sites requiring only the first level of authentication; wherein the second type comprises a full wallet and the further rights comprise additional tasks requiring greater security than the low level of security; wherein the additional tasks comprise any of: editing the default account information; editing account preferences; making purchases that exceed a predetermined purchase amount; and making purchases at sites that require the at least one level of further authentication.

"User Agreement" teaches wherein the at least one low-risk task comprises any of: making purchases not exceeding a predetermined purchase amount (sending limit on unverified account); making transactions using default account information; and making purchases at sites requiring only the first level of authentication; wherein the second type comprises a full wallet and the further rights comprise additional tasks requiring greater security than the low level of security; wherein the additional tasks comprise any of: editing the default account information; editing account preferences; making purchases that exceed a predetermined purchase amount; and making purchases at sites that require the at least one level of further authentication.

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It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" with wherein the at least one low-risk task comprises any of: making purchases not exceeding a predetermined purchase amount (sending limit on unverified account); making transactions using default account information; and making purchases at sites requiring only the first level of authentication; wherein the second type comprises a full wallet and the further rights comprise additional tasks requiring greater security than the low level of security; wherein the additional tasks comprise any of: editing the default account information; editing account preferences; making purchases that exceed a predetermined purchase amount; and making purchases at sites that require the at least one level of further authentication. One skilled in the art would have been motivated to make the modification in order to mitigate fraud.

**Regarding claim 15,**

"Random Deposit" teaches creating a record in a wallet account database but does not explicitly teach providing notice of a privacy policy; and consenting to the privacy policy by the account holder.

"User Agreement" teaches providing notice of a privacy policy; and consenting to the privacy policy by the account holder.

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" with providing notice of a privacy policy; and consenting to the privacy policy by the account holder. One skilled in the art would have been motivated to make the modification for the benefit of protection from liability.

**Regarding claims 29-31, 37, 57-59, 65,**

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The claims are drawn to a computer readable medium comprising instructions for executing the methods or to systems which perform the method of the aforementioned claims.

16. Claims 16-18, 38-40, 66-68 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of "User Agreement", further in view of Applicant admission of prior art.

**Regarding claims 16-18,**

"Random Deposit" does not explicitly teach creating a second-level challenge; setting a second-level password; and configuring a security question by the accountholder.

Applicant admission of prior art teaches creating a second-level challenge; setting a second-level password; configuring a security question by the accountholder; providing the second-level password; and clearing the security question. (for second-level password see page 3 of specification starting with "Conventionally, digital wallets...", for security question see page 3 of specification starting discussing hierarchy of queries in US Patent 6,263,447).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" further with creating a second-level challenge; setting a second-level password; configuring a security question by the accountholder; providing the second-level password; and clearing the security question. (for second-level password see page 3 of specification starting with "Conventionally, digital wallets...", for security question see page 3 of specification starting discussing hierarchy of queries in US Patent 6,263,447). One skilled in the art would have been motivated to make the modification for the benefit of increased security since it was old and well known in the art to layer different types of security in order to increase overall security.

**Regarding claims 38-40 and 66-68,**

The claims are drawn to a computer readable medium comprising instructions for executing the methods or to systems which perform the method of the aforementioned claims.

17. Claims 19-22, 41-44, 69-72 rejected under 35 U.S.C. 103(a) as being unpatentable over "Random Deposit" in view of "User Agreement", further in view of Applicant Admission of prior art, further in view of Alao.

**Regarding claim 19,**

"Random Deposit" does not explicitly teach providing a user interface accessible only to holders of accounts of the second type to edit account information and preferences.

Alao teaches providing a user interface to holders of accounts to edit account information and preferences (see paragraph 47).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" further with providing a user interface accessible only to holders of accounts of the second type to edit account information and preferences. One skilled in the art would have been motivated to make the modification for the benefit of increased security.

**Regarding claim 20,**

"Random Deposit" does not explicitly teach wherein the account information comprises any of: first name; middle initial; last name; credit card type; credit card number; credit card

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expiration date; billing address; city; state; postal code; country; daytime phone; and evening phone.

Alao teaches wherein the account information comprises any of: first name; middle initial; last name; credit card type; credit card number; credit card expiration date; billing address; city; state; postal code; country; daytime phone; and evening phone (see paragraph 47).

It would have been obvious to one of ordinary skill in the art at the time of invention to modify the method of converting of "Random Deposit" further with wherein the account information comprises any of: first name; middle initial; last name; credit card type; credit card number; credit card expiration date; billing address; city; state; postal code; country; daytime phone; and evening phone. One skilled in the art would have been motivated to make the modification because some of the necessary information to make a purchase may need to be updated.

**Regarding claim 21,**

"Random Deposit" teaches wherein first account type comprises a thin wallet, the thin wallet comprising a record in a subscriber database, and wherein the second account type comprises a full wallet, the full wallet comprising the record in the wallet database, wherein the full wallet is initially populated with information from the thin wallet.

**Regarding claim 22,**

"Random Deposit" teaches providing a wallet server, wherein the wallet server comprises a web server having a wallet application running thereon, the wallet server operative to pull account information from either the subscriber database or the wallet database.

**Regarding claims 41-44 and 69-72,**

The claims are drawn to a computer readable medium comprising instructions for executing the methods or to systems which perform the method of the aforementioned claims.

***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to ERIC T. WONG whose telephone number is 571-270-3405. The examiner can normally be reached on Monday-Friday 9:00AM-5:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James A. Kramer can be reached on 571-272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/James A. Kramer/  
Supervisory Patent Examiner, Art Unit 3693

ERIC T. WONG  
Examiner  
Art Unit 3693

July 30, 2008